

114TH CONGRESS
2D SESSION

S. 3267

To protect against threats posed by Iran to the United States and allies
of the United States, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 14, 2016

Mr. CORKER (for himself, Mr. MENENDEZ, Mr. RUBIO, Mr. MANCHIN, Mr.
COTTON, and Mr. SULLIVAN) introduced the following bill; which was
read twice and referred to the Committee on Foreign Relations

A BILL

To protect against threats posed by Iran to the United
States and allies of the United States, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Countering Iranian Threats Act of 2016”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

Sec. 3. Findings.

TITLE I—STRATEGY FOR COUNTERING CERTAIN IRANIAN
ACTIVITY

- Sec. 101. Regional strategy for countering conventional and asymmetric Iranian activity and threats in the Middle East and North Africa.

TITLE II—SANCTIONS

- Sec. 201. Imposition of sanctions with respect to the IRGC.
 Sec. 202. Enforcement of arms embargos.
 Sec. 203. Imposition of sanctions in response to Iran’s ballistic missile program.
 Sec. 204. Continuation in effect of sanctions for Iranian support relating to terrorism or development of delivery systems for weapons of mass destruction.
 Sec. 205. Continuation in effect of sanctions with respect to human rights abuses by Iran.
 Sec. 206. Imposition of sanctions with respect to persons that destabilize certain countries or that are responsible for human rights abuses.
 Sec. 207. Codification of sanctions with respect to Iranian activities undermining cybersecurity.
 Sec. 208. Mandatory cyber sanctions.
 Sec. 209. Prohibition on licenses for offshore dollar clearing transactions with Iranian financial institutions.
 Sec. 210. Clarification that freezing of assets of Iranian financial institutions includes assets in possession or control of a United States person pursuant to a U-turn transaction.
 Sec. 211. Imposition of sanctions relating to corruption in Iran.
 Sec. 212. Extension of Iran Sanctions Act of 1996.

TITLE III—REPORTS

- Sec. 301. Report on sanctions relief.
 Sec. 302. Reports on offshore United States dollar clearing for transactions involving the Government of Iran or Iranian persons.
 Sec. 303. Report on coordination of sanctions between the United States and the European Union.
 Sec. 304. Reports on Iranian research and development and breakout times.
 Sec. 305. Report on nuclear program cooperation with North Korea.
 Sec. 306. Report on use by the Government of Iran of commercial aircraft and related services for illicit military or other activities.
 Sec. 307. IRGC watch list and report.
 Sec. 308. Report on United States citizens detained by Iran.
 Sec. 309. Responsibilities of International Atomic Energy Agency.

TITLE IV—GENERAL PROVISIONS

- Sec. 401. Exceptions for national security and humanitarian assistance.
 Sec. 402. Presidential waiver authority for specified sanctions.
 Sec. 403. Requests from Congress relating to imposition of sanctions.
 Sec. 404. Mandatory investigations.

1 SEC. 2. DEFINITIONS.

2 In this Act:

1 (1) ACT OF INTERNATIONAL TERRORISM.—The
2 term “act of international terrorism” has the mean-
3 ing given that term in section 14 of the Iran Sanc-
4 tions Act of 1996 (Public Law 104–172; 50 U.S.C.
5 1701 note).

6 (2) APPROPRIATE CONGRESSIONAL COMMIT-
7 TEES.—The term “appropriate congressional com-
8 mittees” has the meaning given that term in section
9 14 of the Iran Sanctions Act of 1996 (Public Law
10 104–172; 50 U.S.C. 1701 note).

11 (3) FOREIGN PERSON.—The term “foreign per-
12 son” means a person that is not a United States
13 person.

14 (4) FOREIGN TERRORIST ORGANIZATION.—The
15 term “foreign terrorist organization” means an or-
16 ganization designated as a foreign terrorist organiza-
17 tion under section 219 of the Immigration and Na-
18 tionality Act (8 U.S.C. 1189).

19 (5) IRANIAN FINANCIAL INSTITUTION.—The
20 term “Iranian financial institution” has the meaning
21 given that term in section 104A of the Comprehen-
22 sive Iran Sanctions, Accountability, and Divestment
23 Act of 2010 (22 U.S.C. 8513b).

24 (6) IRANIAN PERSON.—The term “Iranian per-
25 son” means—

1 (A) an individual who is a citizen or na-
2 tional of Iran; or

3 (B) an entity organized under the laws of
4 Iran or otherwise subject to the jurisdiction of
5 the Government of Iran.

6 (7) IRGC.—The term “IRGC” means Iran’s Is-
7 lamic Revolutionary Guard Corps.

8 (8) KNOWINGLY.—The term “knowingly” has
9 the meaning given that term in section 14 of the
10 Iran Sanctions Act of 1996 (Public Law 104–172;
11 50 U.S.C. 1701 note).

12 (9) PERSON.—The term “person” means an in-
13 dividual or entity.

14 (10) SIGNIFICANT ACTIVITIES UNDERMINING
15 CYBERSECURITY.—The term “significant activities
16 undermining cybersecurity” includes—

17 (A) significant efforts to—

18 (i) deny access to or degrade, disrupt,
19 or destroy an information and communica-
20 tions technology system or network; or

21 (ii) exfiltrate information from such a
22 system or network without authorization;

23 (B) significant destructive malware at-
24 tacks; and

25 (C) significant denial of service activities.

1 (11) STATE SPONSOR OF TERRORISM.—The
2 term “state sponsor of terrorism” has the meaning
3 given that term in section 301 of the Comprehensive
4 Iran Sanctions, Accountability, and Divestment Act
5 of 2010 (22 U.S.C. 8541).

6 (12) UNITED STATES PERSON.—The term
7 “United States person” means—

8 (A) a United States citizen or an alien law-
9 fully admitted for permanent residence to the
10 United States; or

11 (B) an entity organized under the laws of
12 the United States or of any jurisdiction within
13 the United States, including a foreign branch of
14 such an entity.

15 **SEC. 3. FINDINGS.**

16 Congress makes the following findings:

17 (1) The United States is in no way committed
18 to suspend or refrain from imposing sanctions on
19 Iran for its continued support of acts of inter-
20 national terrorism and other acts that destabilize
21 international order, including the pursuit of chemical
22 and biological weapons of mass destruction pro-
23 grams, malicious cyber activities, or development of
24 or trade in proliferation-sensitive technology such as

1 ballistic and cruise missiles, or the commission of
2 human rights abuses.

3 (2) Iran is designated as a state sponsor of ter-
4 rorism by the United States, and continues to
5 threaten the national security and foreign policy in-
6 terests of the United States and countries with
7 which the United States shares common strategic
8 and foreign policy objectives.

9 **TITLE I—STRATEGY FOR COUN-**
10 **TERING CERTAIN IRANIAN**
11 **ACTIVITY**

12 **SEC. 101. REGIONAL STRATEGY FOR COUNTERING CON-**
13 **VENTIONAL AND ASYMMETRIC IRANIAN AC-**
14 **TIVITY AND THREATS IN THE MIDDLE EAST**
15 **AND NORTH AFRICA.**

16 (a) IN GENERAL.—Not later than January 10, 2017,
17 and every 2 years thereafter, the Secretary of State, the
18 Secretary of Defense, the Secretary of the Treasury, and
19 the Director of National Intelligence shall jointly develop
20 and submit to the appropriate congressional committees
21 a 10-year strategy to counter conventional and asymmetric
22 Iranian activities and threats in the Middle East, North
23 Africa, and beyond.

24 (b) ELEMENTS.—The strategy required by subsection
25 (a) shall include at a minimum the following:

1 (1) A summary of the near- and long-term
2 United States objectives, plans, and means for build-
3 ing a regional security architecture capable of and
4 committed to countering Iran’s destabilizing activi-
5 ties.

6 (2) A summary of United States objectives for
7 individual country capabilities and contributions to
8 the regional security architecture, including an esti-
9 mated timeline for achieving desired capabilities, for
10 each member of the Gulf Cooperation Council,
11 Egypt, Jordan, Iraq, and Israel.

12 (3) An assessment of Iran’s strategy and objec-
13 tives for the Middle East region, and an assessment
14 of anticipated modifications to Iranian objectives,
15 policies, and activities for achieving the strategy.

16 (4) An assessment of Iran’s conventional force
17 capabilities, and an assessment of Iranian plans to
18 upgrade its conventional force capabilities, including
19 its acquisition, development, and deployment of bal-
20 listic and cruise missile capabilities, unmanned aerial
21 vehicles, and maritime offensive and anti-access or
22 area denial capabilities, and an assessment of what
23 such capabilities Iran is likely to possess 5, 8, and
24 10 years following the date on which the strategy is
25 submitted.

1 (5) An assessment of Iran’s chemical and bio-
2 logical weapons capabilities and an assessment of
3 Iranian plans to upgrade its chemical or biological
4 weapons capabilities.

5 (6) An assessment of Iran’s asymmetric activi-
6 ties in the region, including—

7 (A) the size, capabilities, and activities of
8 the IRGC, including the Quds Force;

9 (B) the size, capabilities, and activities of
10 Iran’s cyber operations;

11 (C) the types and amount of support, in-
12 cluding funding, lethal and nonlethal contribu-
13 tions, and training, provided to Hezbollah,
14 Hamas, special groups in Iraq, the regime of
15 Bashar al-Assad in Syria, Houthi fighters in
16 Yemen, and other violent groups across the
17 Middle East;

18 (D) the scope and objectives of Iranian in-
19 formation operations and use of propaganda;
20 and

21 (E) an assessment of anticipated modifica-
22 tions by Iran to the activities described in sub-
23 paragraphs (A) through (D) over the course of
24 the 10 to 15 years after the strategy is sub-
25 mitted.

1 (7) An assessment of Iran’s strategy regarding
2 other countries in the region, including Syria, Leb-
3 anon, Iraq, Yemen, the Palestinian territories, and
4 the countries of the Gulf Cooperation Council, and
5 an assessment of any anticipated modifications to
6 objectives, policies, and activities for achieving that
7 strategy.

8 (8) A description of current and planned activi-
9 ties, engagements, exercises, military sales, training,
10 intelligence and surveillance support, and other
11 forms of security assistance and cooperation for
12 United States partners and allies in the region, in
13 order to actively counter current Iranian conven-
14 tional and asymmetric threats described under para-
15 graphs (3) through (7), as well as to prepare for
16 evolving threats from Iran, including an assessment
17 of the impact of activities described in paragraph (7)
18 on Israel’s qualitative military edge.

19 (9) An outline of United States authorities,
20 planning, and actions, unilaterally and in coopera-
21 tion with foreign governments, to counter threats
22 from Iran’s conventional force capabilities described
23 in paragraph (4).

24 (10) An outline, including specific examples, of
25 United States authorities, planning, and actions,

1 unilaterally and in cooperation with foreign govern-
2 ments, to counter Iran’s threat network described in
3 subparagraphs (A) through (E) of paragraph (6)
4 and in paragraph (7), including—

5 (A) interdiction of Iranian lethal arms
6 bound for groups designated as foreign terrorist
7 organizations;

8 (B) interdiction of Iranian activities and
9 prevention of Iranian harassment or inter-
10 ference in international commercial shipping
11 lanes;

12 (C) countering Iranian attempts to under-
13 mine or subvert internationally recognized gov-
14 ernments in the Middle East region; and

15 (D) countering Iran’s support for the re-
16 gime of Bashar al-Assad in Syria, including—

17 (i) financial assistance, military equip-
18 ment and personnel, and other support
19 provided to that regime; and

20 (ii) support and direction to other
21 armed actors that are not Syrian or Ira-
22 nian and are acting on behalf of that re-
23 gime.

24 (11) A review of individual country contribu-
25 tions to the regional security architecture.

1 (12) A review of efforts to counter Iran’s con-
2 ventional and asymmetric capabilities in the Middle
3 East and North Africa.

4 (13) An assessment of the commitment and ca-
5 pabilities of United States allies and partners to
6 countering Iran’s conventional and asymmetric capa-
7 bilities in the Middle East and North Africa.

8 (c) FORM OF STRATEGY.—The strategy required by
9 subsection (a) shall be submitted in unclassified form but
10 may include a classified annex.

11 **TITLE II—SANCTIONS**

12 **SEC. 201. IMPOSITION OF SANCTIONS WITH RESPECT TO** 13 **THE IRGC.**

14 (a) IN GENERAL.—Beginning on the date that is 90
15 days after the date of the enactment of this Act, the Presi-
16 dent shall impose the sanctions described in subsection (b)
17 with respect to the IRGC and foreign persons that are
18 officials, agents, or affiliates of the IRGC.

19 (b) SANCTIONS DESCRIBED.—The sanctions de-
20 scribed in this subsection are the following:

21 (1) Sanctions applicable with respect to a for-
22 eign person pursuant to Executive Order 13224 (50
23 U.S.C. 1701 note; relating to blocking property and
24 prohibiting transactions with persons who commit,
25 threaten to commit, or support terrorism).

1 (2) Sanctions applicable with respect to an enti-
2 ty that is designated as a foreign terrorist organiza-
3 tion under section 219 of the Immigration and Na-
4 tionality Act (8 U.S.C. 1189).

5 **SEC. 202. ENFORCEMENT OF ARMS EMBARGOS.**

6 (a) IN GENERAL.—Except as provided in subsection
7 (d), the President shall impose the sanctions described in
8 subsection (b) with respect to any person that—

9 (1) engages in any activity that materially con-
10 tributes to the supply, sale, or transfer directly or
11 indirectly to or from Iran, or for the use in or ben-
12 efit of Iran, of any battle tanks, armored combat ve-
13 hicles, large caliber artillery systems, combat air-
14 craft, attack helicopters, warships, missiles or mis-
15 sile systems, as defined for the purpose of the
16 United Nations Register of Conventional Arms, or
17 related materiel, including spare parts; or

18 (2) provides to Iran any technical training, fi-
19 nancial resources or services, advice, other services
20 or assistance related to the supply, sale, transfer,
21 manufacture, maintenance, or use of arms and re-
22 lated materiel described in paragraph (1).

23 (b) SANCTIONS DESCRIBED.—

24 (1) BLOCKING OF PROPERTY.—The President
25 shall block, in accordance with the International

1 Emergency Economic Powers Act (50 U.S.C. 1701
2 et seq.), all transactions in all property and interests
3 in property of any person subject to subsection (a)
4 if such property and interests in property are in the
5 United States, come within the United States, or are
6 or come within the possession or control of a United
7 States person.

8 (2) EXCLUSION FROM UNITED STATES.—The
9 Secretary of State shall deny a visa to, and the Sec-
10 retary of Homeland Security shall exclude from the
11 United States, any person subject to subsection (a)
12 that is an alien.

13 (c) EXCEPTIONS AND PENALTIES.—

14 (1) INAPPLICABILITY OF NATIONAL EMER-
15 GENCY REQUIREMENT.—The requirements of section
16 202 of the International Emergency Economic Pow-
17 ers Act (50 U.S.C. 1701) shall not apply for pur-
18 poses of subsection (b)(1).

19 (2) COMPLIANCE WITH UNITED NATIONS HEAD-
20 QUARTERS AGREEMENT.—Subsection (b)(2) shall
21 not apply if admission to the United States is nec-
22 essary to permit the United States to comply with
23 the Agreement regarding the Headquarters of the
24 United Nations, signed at Lake Success June 26,

1 1947, and entered into force November 21, 1947,
2 between the United Nations and the United States.

3 (3) PENALTIES.—A person that violates, at-
4 tempts to violate, conspires to violate, or causes a
5 violation of subsection (b)(1) or any regulation, li-
6 cense, or order issued to carry out that subsection
7 shall be subject to the penalties set forth in sub-
8 sections (b) and (c) of section 206 of the Inter-
9 national Emergency Economic Powers Act (50
10 U.S.C. 1705) to the same extent as a person that
11 commits an unlawful act described in subsection (a)
12 of that section.

13 (d) EXCEPTION.—The President is not required to
14 impose sanctions under subsection (a) with respect to a
15 person for engaging in an activity described in that sub-
16 section if the President certifies to the appropriate con-
17 gressional committees that—

18 (1) permitting the activity is in the national se-
19 curity interest of the United States;

20 (2) Iran no longer presents a significant threat
21 to the national security of the United States and to
22 the allies of the United States; and

23 (3) the Government of Iran has ceased pro-
24 viding operational or financial support for acts of
25 international terrorism and no longer satisfies the

1 requirements for designation as a state sponsor of
2 terrorism.

3 **SEC. 203. IMPOSITION OF SANCTIONS IN RESPONSE TO**
4 **IRAN'S BALLISTIC MISSILE PROGRAM.**

5 (a) IN GENERAL.—The President shall impose the
6 sanctions described in subsection (b) with respect to any
7 person that the President determines, on or after the date
8 of the enactment of this Act—

9 (1) has engaged in any activity that has materi-
10 ally contributed, or poses a risk of materially con-
11 tributing, to the activities of the Government of Iran
12 with respect to its ballistic missile program, or any
13 other program in Iran for developing, deploying, or
14 maintaining systems capable of delivering weapons
15 of mass destruction, including any efforts to manu-
16 facture, acquire, possess, develop, transport, trans-
17 fer, or use such capabilities;

18 (2) is a successor entity to a person referred to
19 in paragraph (1);

20 (3) owns or controls, is owned or controlled by,
21 or is under common ownership or control with, a
22 person referred to in paragraph (1);

23 (4) is acting for or on behalf of a person re-
24 ferred to in paragraph (1), (2), or (3); or

1 (5) has knowingly provided, or attempted to
2 provide, financial, material, technological, or other
3 support for, or goods or services in support of, a
4 person referred to in paragraph (1), (2), (3), or (4).

5 (b) SANCTIONS DESCRIBED.—

6 (1) BLOCKING OF PROPERTY.—The President
7 shall block, in accordance with the International
8 Emergency Economic Powers Act (50 U.S.C. 1701
9 et seq.), all transactions in all property and interests
10 in property of any person subject to subsection (a)
11 if such property and interests in property are in the
12 United States, come within the United States, or are
13 or come within the possession or control of a United
14 States person.

15 (2) EXCLUSION FROM UNITED STATES.—The
16 Secretary of State shall deny a visa to, and the Sec-
17 retary of Homeland Security shall exclude from the
18 United States, any person subject to subsection (a)
19 that is an alien.

20 (c) EXCEPTION AND PENALTIES.—

21 (1) INAPPLICABILITY OF NATIONAL EMER-
22 GENCY REQUIREMENT.—The requirements of section
23 202 of the International Emergency Economic Pow-
24 ers Act (50 U.S.C. 1701) shall not apply for pur-
25 poses of subsection (b)(1).

1 (2) PENALTIES.—A person that violates, at-
2 tempts to violate, conspires to violate, or causes a
3 violation of subsection (b)(1) or any regulation, li-
4 cense, or order issued to carry out that subsection
5 shall be subject to the penalties set forth in sub-
6 sections (b) and (c) of section 206 of the Inter-
7 national Emergency Economic Powers Act (50
8 U.S.C. 1705) to the same extent as a person that
9 commits an unlawful act described in subsection (a)
10 of that section.

11 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
12 tion shall be construed to limit the authority of the Presi-
13 dent to designate persons for the imposition of sanctions
14 pursuant to Executive Order 13382 (50 U.S.C. 1701 note;
15 relating to blocking property of weapons of mass destruc-
16 tion delivery system proliferators and their supporters) or
17 Executive Order 13224 (50 U.S.C. 1701 note; relating to
18 blocking property and prohibiting transactions with per-
19 sons who commit, threaten to commit, or support ter-
20 rorism), or otherwise pursuant to the International Emer-
21 gency Economic Powers Act.

22 (e) REPORT ON CONTRIBUTIONS TO IRAN’S BAL-
23 LISTIC MISSILE PROGRAM.—

24 (1) IN GENERAL.—Not later than 90 days after
25 the date of the enactment of this Act, and every 180

1 days thereafter, the President shall submit to the
2 appropriate congressional committees a report de-
3 scribing each person that—

4 (A) has, during the period specified in
5 paragraph (2), conducted any activity that has
6 materially contributed, or poses a risk of mate-
7 rially contributing, to the activities of the Gov-
8 ernment of Iran with respect to its ballistic mis-
9 sile program, or any other program in Iran for
10 developing, deploying, or maintaining systems
11 capable of delivering weapons of mass destruc-
12 tion, including any efforts to manufacture, ac-
13 quire, possess, develop, transport, transfer, or
14 use such capabilities;

15 (B) is a successor entity to a person re-
16 ferred to in subparagraph (A);

17 (C) owns or controls, is owned or con-
18 trolled by, or is under common ownership or
19 control with, a person referred to in subpara-
20 graph (A);

21 (D) is acting for or on behalf of a person
22 referred to in subparagraph (A), (B), or (C); or

23 (E) is known or believed to have provided,
24 or attempted to provide, during the period spec-
25 ified in paragraph (2), financial, material, tech-

1 nological, or other support for, or goods or serv-
2 ices in support of, any material contribution to
3 any such program carried out by a person de-
4 scribed in subparagraph (A), (B), (C), or (D).

5 (2) PERIOD SPECIFIED.—The period specified
6 in this paragraph is—

7 (A) in the case of the first report sub-
8 mitted under paragraph (1), the period begin-
9 ning on July 14, 2015, and ending on the date
10 the report is submitted; and

11 (B) in the case of a subsequent such re-
12 port, the 180-day period preceding the submis-
13 sion of the report.

14 (3) FORM OF REPORT.—Each report required
15 by paragraph (1) shall be submitted in unclassified
16 form but may include a classified annex.

17 (f) REPORT ON SECTORS INVOLVED IN BALLISTIC
18 MISSILE PROGRAM.—

19 (1) IN GENERAL.—Not later than 120 days
20 after the date of the enactment of this Act, and
21 every 180 days thereafter, the President shall sub-
22 mit to the appropriate congressional committees,
23 and publish in the Federal Register, a list of the sec-
24 tors of the economy of Iran that are directly or indi-
25 rectly facilitating, supporting, or involved with the

1 development of or transfer to Iran of ballistic mis-
2 siles or technology, parts, components, or technology
3 information relating to ballistic missiles.

4 (2) FORM OF REPORT.—Each report required
5 by paragraph (1) shall be submitted in unclassified
6 form but may include a classified annex.

7 **SEC. 204. CONTINUATION IN EFFECT OF SANCTIONS FOR**
8 **IRANIAN SUPPORT RELATING TO TERRORISM**
9 **OR DEVELOPMENT OF DELIVERY SYSTEMS**
10 **FOR WEAPONS OF MASS DESTRUCTION.**

11 (a) IN GENERAL.—United States sanctions imposed
12 with respect to a person under Executive Order 13382 (50
13 U.S.C. 1701 note; relating to blocking property of weap-
14 ons of mass destruction delivery system proliferators and
15 their supporters) or Executive Order 13224 (50 U.S.C.
16 1701 note; relating to blocking property and prohibiting
17 transactions with persons who commit, threaten to com-
18 mit, or support terrorism), and imposed as a result of ac-
19 tivities described in subsection (b), that are in effect on
20 the day before the date of the enactment of this Act, shall
21 remain in effect until the date that is 90 days after the
22 date on which the President submits to the appropriate
23 congressional committees the certification described in
24 subsection (c) with respect to the person.

1 (b) ACTIVITIES DESCRIBED.—An activity described
2 in this subsection is—

3 (1) any activity that materially contributes, or
4 poses a risk of materially contributing, to the activi-
5 ties of the Government of Iran with respect to its
6 ballistic missile program, or any other program in
7 Iran for developing, deploying, or maintaining sys-
8 tems capable of delivering weapons of mass destruc-
9 tion, including any efforts to manufacture, acquire,
10 possess, develop, transport, transfer, or use such ca-
11 pabilities; or

12 (2) support for acts of international terrorism.

13 (c) CERTIFICATION.—

14 (1) IN GENERAL.—A certification described in
15 this subsection is a certification that—

16 (A) the person with respect to which sanc-
17 tions were imposed under Executive Order
18 13382 or Executive Order 13224 has not, dur-
19 ing the 12-month period immediately preceding
20 the date of the certification, provided support
21 for, otherwise facilitated or engaged in any ac-
22 tivity described in subsection (b); and

23 (B) the person is not expected to resume
24 any such activity.

25 (2) SUBMISSION TO CONGRESS.—

1 (b) PROVISIONS OF LAW SPECIFIED.—A provision of
2 law specified in this subsection is any provision of the fol-
3 lowing:

4 (1) Executive Order 13553 (50 U.S.C. 1701
5 note; relating to blocking property of certain persons
6 with respect to serious human rights abuses by the
7 Government of Iran).

8 (2) Executive Order 13606 (50 U.S.C. 1701
9 note; relating to blocking the property and sus-
10 pending entry into the United States of certain per-
11 sons with respect to grave human rights abuses by
12 the Governments of Iran and Syria via information
13 technology).

14 (3) Executive Order 13628 (50 U.S.C. 1701
15 note; relating to authorizing the implementation of
16 certain sanctions set forth in the Iran Threat Reduc-
17 tion and Syria Human Rights Act of 2012 and addi-
18 tional sanctions with respect to Iran).

19 (4) The Comprehensive Iran Sanctions, Ac-
20 countability, and Divestment Act of 2010 (22 U.S.C.
21 8501 et seq.).

22 (5) The Iran Threat Reduction and Syria
23 Human Rights Act of 2012 (22 U.S.C. 8701 et
24 seq.).

25 (c) CERTIFICATION.—

1 (1) IN GENERAL.—A certification described in
2 this subsection is a certification that—

3 (A) the person with respect to which sanc-
4 tions were imposed under any provision of law
5 specified in subsection (b) for involvement in
6 human rights abuses described in subsection (a)
7 has not, during the 12-month period imme-
8 diately preceding the date of the certification,
9 provided support for, otherwise facilitated or
10 engaged in any activity for which sanctions may
11 be imposed under any such provision of law for
12 involvement in such human rights abuses; and

13 (B) the person is not expected to resume
14 any such activity.

15 (2) SUBMISSION TO CONGRESS.—

16 (A) IN GENERAL.—The President shall
17 submit the certification described in paragraph
18 (1) to the appropriate congressional committees
19 in writing and shall include a detailed justifica-
20 tion for the certification.

21 (B) FORM OF CERTIFICATION.—The cer-
22 tification described in paragraph (1) shall be
23 submitted in unclassified form but may include
24 a classified annex.

1 (d) REIMPOSITION.—If sanctions are suspended with
 2 respect to a person under this section, such sanctions shall
 3 be reinstated if the President determines that the person
 4 has resumed any activity described in subsection
 5 (c)(1)(A).

6 (e) RULE OF CONSTRUCTION.—Nothing in this sec-
 7 tion shall be construed to limit the authority of the Presi-
 8 dent pursuant to the International Emergency Economic
 9 Powers Act (50 U.S.C. 1701 et seq.), any provision of law
 10 specified in subsection (b), or any other provision of law.

11 **SEC. 206. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 12 **PERSONS THAT DESTABILIZE CERTAIN COUN-**
 13 **TRIES OR THAT ARE RESPONSIBLE FOR**
 14 **HUMAN RIGHTS ABUSES.**

15 (a) IN GENERAL.—Not later than 90 days after the
 16 date of the enactment of this Act, and annually thereafter,
 17 the Secretary of State shall submit to the appropriate con-
 18 gressional committees a list of each person the Secretary
 19 determines, based on credible evidence—

20 (1) has committed, or poses a significant risk of
 21 committing, an act or acts of violence that have the
 22 purpose or effect of—

23 (A) threatening the peace or stability of a
 24 covered country or the government of a covered
 25 country;

1 (B) undermining efforts to promote eco-
2 nomic reconstruction and political reform in a
3 covered country or to provide humanitarian as-
4 sistance to the people of a covered country or
5 Syria; or

6 (C) undermining the peace process in
7 Syria;

8 (2) has been responsible for or complicit in, or
9 responsible for ordering, controlling, or otherwise di-
10 recting, or has participated in, the commission of
11 human rights abuses in a covered country or Syria,
12 including human rights abuses related to repression;

13 (3) has committed or facilitated, directly or in-
14 directly, human rights abuses or other acts of vio-
15 lence, intimidation, or harassment, in Iran on or
16 after June 12, 2009, on behalf of the Government
17 of Iran;

18 (4) has materially assisted, sponsored, or pro-
19 vided financial, material, logistical, or technical sup-
20 port for, or goods or services in support of, an activ-
21 ity described in paragraph (1), (2), or (3) or any
22 person who engages in such an activity;

23 (5) has been responsible for extrajudicial
24 killings, torture, or other gross violations of inter-

1 nationally recognized human rights committed
2 against individuals in Iran who seek—

3 (A) to expose illegal activity carried out by
4 officials of the Government of Iran; or

5 (B) to obtain, exercise, defend, or promote
6 internationally recognized human rights and
7 freedoms, such as the freedoms of religion, ex-
8 pression, association, and assembly, and the
9 rights to a fair trial and democratic elections;

10 (6) has acted as an agent of or on behalf of a
11 foreign person in a matter relating to an activity de-
12 scribed in paragraph (5);

13 (7) has been a government official, or a senior
14 associate of such an official, responsible for, or
15 complicit in, ordering, controlling, or otherwise di-
16 recting, acts of significant corruption in Iran, includ-
17 ing the expropriation of private or public assets for
18 personal gain, corruption related to government con-
19 tracts or the extraction of natural resources, bribery,
20 or the facilitation or transfer of the proceeds of cor-
21 ruption to foreign jurisdictions; or

22 (8) has materially assisted, sponsored, or pro-
23 vided financial, material, or technological support
24 for, or goods or services in support of, an activity
25 described in paragraph (7).

1 (b) SANCTIONS DESCRIBED.—

2 (1) IN GENERAL.—The President may, in ac-
3 cordance with the International Emergency Eco-
4 nomic Powers Act (50 U.S.C. 1701 et seq.), block
5 all transactions in all property and interests in prop-
6 erty of a person on the list required by subsection
7 (a) if such property and interests in property are in
8 the United States, come within the United States, or
9 are or come within the possession or control of a
10 United States person.

11 (2) INAPPLICABILITY OF NATIONAL EMER-
12 GENCY REQUIREMENT.—The requirements of section
13 202 of the International Emergency Economic Pow-
14 ers Act (50 U.S.C. 1701) shall not apply for pur-
15 poses of this section.

16 (3) PENALTIES.—A person that violates, at-
17 tempts to violate, conspires to violate, or causes a
18 violation of paragraph (1) or any regulation, license,
19 or order issued to carry out paragraph (1) shall be
20 subject to the penalties set forth in subsections (b)
21 and (c) of section 206 of the International Emer-
22 gency Economic Powers Act (50 U.S.C. 1705) to the
23 same extent as a person that commits an unlawful
24 act described in subsection (a) of that section.

1 (c) COVERED COUNTRY DEFINED.—In this section,
2 the term “covered country” means Bahrain, Iraq, Jordan,
3 Kuwait, Lebanon, Saudi Arabia, Qatar, the United Arab
4 Emirates, or Yemen.

5 **SEC. 207. CODIFICATION OF SANCTIONS WITH RESPECT TO**
6 **IRANIAN ACTIVITIES UNDERMINING CYBER-**
7 **SECURITY.**

8 (a) IN GENERAL.—United States sanctions with re-
9 spect to activities of the Government of Iran, persons act-
10 ing for or on behalf of that Government, or persons lo-
11 cated in Iran that undermine cybersecurity provided for
12 in Executive Order 13694 (50 U.S.C. 1701 note; relating
13 to blocking the property of certain persons engaging in
14 significant malicious cyber-enabled activities), as that Ex-
15 ecutive order is in effect on the day before the date of
16 the enactment of this Act, shall remain in effect until the
17 date that is 90 days after the date on which the President
18 submits to the appropriate congressional committees the
19 certification described in subsection (b).

20 (b) CERTIFICATION.—

21 (1) IN GENERAL.—A certification described in
22 this subsection is a certification that—

23 (A) the person with respect to which sanc-
24 tions were imposed under Executive Order
25 13694 has not, during the 12-month period im-

1 mediately preceding the date of the certifi-
2 cation, provided support for, otherwise facili-
3 tated or engaged in any activity for which sanc-
4 tions may be imposed under that Executive
5 order (as in effect on the day before the date
6 of the enactment of this Act); and

7 (B) the person is not expected to resume
8 any such activity.

9 (2) SUBMISSION TO CONGRESS.—

10 (A) IN GENERAL.—The President shall
11 submit the certification described in paragraph
12 (1) to the appropriate congressional committees
13 in writing and shall include a detailed justifica-
14 tion for the certification.

15 (B) FORM OF CERTIFICATION.—The cer-
16 tification described in paragraph (1) shall be
17 submitted in unclassified form but may include
18 a classified annex.

19 (c) REIMPOSITION.—If sanctions are suspended with
20 respect to a person under this section, such sanctions shall
21 be reinstated if the President determines that the person
22 has resumed any activity for which sanctions may be im-
23 posed under Executive Order 13694 (as in effect on the
24 day before the date of the enactment of this Act).

1 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
2 tion shall be construed to limit the authority of the Presi-
3 dent pursuant to the International Emergency Economic
4 Powers Act (50 U.S.C. 1701 et seq.).

5 **SEC. 208. MANDATORY CYBER SANCTIONS.**

6 (a) MANDATORY DESIGNATIONS.—The President
7 shall designate any person under this subsection that the
8 President determines has directly or indirectly engaged in
9 significant activities undermining cybersecurity by the
10 Government of Iran or any person acting for or on behalf
11 of the Government of Iran in connection with such activi-
12 ties.

13 (b) EFFECT OF DESIGNATION.—A person designated
14 pursuant to subsection (a) shall be subject to all applicable
15 sanctions specified in Executive Order 13694 (50 U.S.C.
16 1701 note; relating to blocking the property of certain per-
17 sons engaging in significant malicious cyber-enabled ac-
18 tivities).

19 (c) REPORT REQUIRED.—

20 (1) IN GENERAL.—Not later than 90 days after
21 the date of the enactment of this Act, and annually
22 thereafter, the President shall submit to the appro-
23 priate congressional committees a report that de-
24 scribes significant activities undermining cybersecu-
25 rity conducted by the Government of Iran, a person

1 owned or controlled, directly or indirectly, by that
2 Government, or any person acting for or on behalf
3 of that Government.

4 (2) ELEMENTS.—The report required by para-
5 graph (1) shall include—

6 (A) an assessment of the extent to which
7 a foreign government has provided material
8 support to the Government of Iran, to any per-
9 son owned or controlled, directly or indirectly,
10 by that Government, or to any person acting for
11 or on behalf of that Government, in connection
12 with the conduct of significant activities under-
13 mining cybersecurity; and

14 (B) a strategy for the United States to
15 counter Iran’s efforts to conduct significant ac-
16 tivities undermining cybersecurity directed
17 against the United States that includes a de-
18 scription of the efforts of the United States to
19 engage foreign governments in preventing the
20 Government of Iran, persons owned or con-
21 trolled, directly or indirectly, by that Govern-
22 ment, and persons acting for or on behalf of
23 that Government from conducting significant
24 activities undermining cybersecurity.

1 (3) FORM OF REPORT.—The report required by
2 paragraph (1) shall be submitted in an unclassified
3 form but may include a classified annex.

4 **SEC. 209. PROHIBITION ON LICENSES FOR OFFSHORE DOL-**
5 **LAR CLEARING TRANSACTIONS WITH IRA-**
6 **NIAN FINANCIAL INSTITUTIONS.**

7 (a) IN GENERAL.—The President may not issue any
8 license under the International Emergency Economic Pow-
9 ers Act (50 U.S.C. 1701 et seq.) to an offshore dollar
10 clearing entity to conduct a transaction with an Iranian
11 financial institution in United States dollars.

12 (b) SUBMISSION OF DOCUMENTS TO CONGRESS.—

13 (1) IN GENERAL.—The President shall submit
14 to the appropriate congressional committees a copy
15 of each document described in paragraph (2) not
16 later than 30 days after the issuance of the docu-
17 ment.

18 (2) DOCUMENTS DESCRIBED.—A document de-
19 scribed in this paragraph is any guidance, including
20 executive actions, rules, regulations, frequently asked
21 question documents, written communications, or any
22 other commitments issued to an offshore dollar
23 clearing entity regarding offshore dollar clearance
24 for transactions with an Iranian financial institution
25 in United States dollars.

1 (c) TERMINATION.—This section shall terminate on
2 the date on which the President certifies to Congress that
3 Iran is no longer a state sponsor of terrorism.

4 **SEC. 210. CLARIFICATION THAT FREEZING OF ASSETS OF**
5 **IRANIAN FINANCIAL INSTITUTIONS IN-**
6 **CLUDES ASSETS IN POSSESSION OR CON-**
7 **TROL OF A UNITED STATES PERSON PURSU-**
8 **ANT TO A U-TURN TRANSACTION.**

9 Section 1245(c) of the National Defense Authoriza-
10 tion Act for Fiscal Year 2012 (22 U.S.C. 8513a(c)) is
11 amended—

12 (1) by striking “The President” and inserting:

13 “(1) IN GENERAL.—The President”; and

14 (2) by adding at the end the following:

15 “(2) TREATMENT OF CERTAIN TRANS-
16 ACTIONS.—

17 “(A) U-TURN TRANSACTIONS.—Property
18 that comes within the possession or control of
19 a United States person pursuant to a transfer
20 of funds that arises from, and is ordinarily inci-
21 dent and necessary to give effect to, an under-
22 lying transaction shall be considered to come
23 within the possession or control of that person
24 for purposes of paragraph (1).

1 “(B) BOOK TRANSFERS.—A transfer of
2 funds or other property for the benefit of an
3 Iranian financial institution that is made be-
4 tween accounts of the same financial institution
5 shall be considered property or interests in
6 property of that Iranian financial institution for
7 purposes of paragraph (1) even if that Iranian
8 financial institution is not the direct recipient
9 of the transfer.”.

10 **SEC. 211. IMPOSITION OF SANCTIONS RELATING TO COR-**
11 **RUPTION IN IRAN.**

12 (a) IN GENERAL.—The President is authorized and
13 encouraged to impose the sanctions described in section
14 9(b) of the Support for the Sovereignty, Integrity, Democ-
15 racy, and Economic Stability of Ukraine Act of 2014 (22
16 U.S.C. 8908(b)) with respect to—

17 (1) any official of the Government of Iran, or
18 a close associate or family member of such an offi-
19 cial, or any other person that the President deter-
20 mines is responsible for, or complicit in, or respon-
21 sible for ordering, controlling, or otherwise directing,
22 acts of significant corruption in Iran, including the
23 expropriation of private or public assets for personal
24 gain, corruption related to government contracts or
25 the extraction of natural resources, bribery, or the

1 facilitation or transfer of the proceeds of corruption
2 to foreign jurisdictions; and

3 (2) any individual who has assisted, sponsored,
4 or provided financial, material, or technological sup-
5 port for, or goods or services in support of, an act
6 described in paragraph (1).

7 (b) PENALTIES.—A person that violates, attempts to
8 violate, conspires to violate, or causes a violation of sub-
9 section (a) or any regulation, license, or order issued to
10 carry out subsection (a) shall be subject to the penalties
11 set forth in subsections (b) and (c) of section 206 of the
12 International Emergency Economic Powers Act (50
13 U.S.C. 1705) to the same extent as a person that commits
14 an unlawful act described in subsection (a) of that section.

15 **SEC. 212. EXTENSION OF IRAN SANCTIONS ACT OF 1996.**

16 Section 13(b) of the Iran Sanctions Act of 1996
17 (Public Law 104–172; 50 U.S.C. 1701 note) is amended
18 by striking “December 31, 2016” and inserting “Decem-
19 ber 31, 2026”.

20 **TITLE III—REPORTS**

21 **SEC. 301. REPORT ON SANCTIONS RELIEF.**

22 (a) IN GENERAL.—Not later than 90 days after the
23 date of the enactment of this Act, and every 180 days
24 thereafter, the President shall submit to the appropriate
25 congressional committees a report detailing—

1 (1) the estimated monetary value of any sanc-
2 tions relief that Iran has received since July 14,
3 2015;

4 (2) Iran's use of funds made available pursuant
5 to such sanctions relief, including—

6 (A) whether and the degree to which Iran
7 used any such funds to support acts of inter-
8 national terrorism and the regime of Bashar al-
9 Assad in Syria, to advance nuclear weapons or
10 ballistic missile efforts, or to commit any viola-
11 tion of the human rights of the people of Iran;
12 and

13 (B) whether Iran's access to such funds re-
14 sulted in an increase in the resources Iran de-
15 voted to activities described in subparagraph
16 (A); and

17 (3) the extent to which senior officials of the
18 Government of Iran have diverted any such funds
19 into their personal accounts.

20 (b) REPORT BEFORE PROVIDING IRAN ACCESS TO
21 THE UNITED STATES DOLLAR.—Not later than 30 days
22 before the President implements any measure that would
23 provide access to the United States dollar to the Govern-
24 ment of Iran or an Iranian person, the President shall
25 submit to Congress a report that describes the measure.

1 (c) FORM OF REPORT.—Each report required by this
2 section shall be submitted in an unclassified form but may
3 include a classified annex.

4 **SEC. 302. REPORTS ON OFFSHORE UNITED STATES DOLLAR**
5 **CLEARING FOR TRANSACTIONS INVOLVING**
6 **THE GOVERNMENT OF IRAN OR IRANIAN**
7 **PERSONS.**

8 (a) IN GENERAL.—Not later than 60 days after the
9 date of the enactment of this Act, and every 90 days there-
10 after, the Secretary of the Treasury shall submit to the
11 appropriate congressional committees and publish in the
12 Federal Register a report that contains—

13 (1) a list of any financial institutions that the
14 Secretary has identified as—

15 (A) operating an offshore United States
16 dollar clearing system that conducts trans-
17 actions involving the Government of Iran or an
18 Iranian person; or

19 (B) participating in a transaction de-
20 scribed in subparagraph (A) through a system
21 described in that clause; and

22 (2) a detailed assessment of the status of ef-
23 forts by the Secretary to prevent the conduct of
24 transactions described in paragraph (1)(A) through
25 systems described in that subparagraph.

1 (b) FORM OF REPORT.—Each report required by
2 subsection (a) shall be submitted in unclassified form but
3 may include a classified annex.

4 **SEC. 303. REPORT ON COORDINATION OF SANCTIONS BE-**
5 **TWEEN THE UNITED STATES AND THE EURO-**
6 **PEAN UNION.**

7 (a) IN GENERAL.—Not later than 90 days after the
8 date of the enactment of this Act, and every 180 days
9 thereafter, the President shall submit to the appropriate
10 congressional committees a report that includes the fol-
11 lowing:

12 (1) A description of each instance, during the
13 period specified in subsection (b)—

14 (A) in which the United States has im-
15 posed sanctions with respect to a person for ac-
16 tivity related to the proliferation of weapons of
17 mass destruction or delivery systems for such
18 weapons to or by Iran, support for acts of inter-
19 national terrorism by Iran, or human rights
20 abuses in Iran, but in which the European
21 Union has not imposed corresponding sanctions;
22 and

23 (B) in which the European Union has im-
24 posed sanctions with respect to a person for ac-
25 tivity related to the proliferation of weapons of

1 mass destruction or delivery systems for such
2 weapons to or by Iran, support for acts of inter-
3 national terrorism by Iran, or human rights
4 abuses in Iran, but in which the United States
5 has not imposed corresponding sanctions.

6 (2) An explanation for the reason for each dis-
7 crepancy between sanctions imposed by the Euro-
8 pean Union and sanctions imposed by the United
9 States described in subparagraphs (A) and (B) of
10 paragraph (1).

11 (b) PERIOD SPECIFIED.—The period specified in this
12 subsection is—

13 (1) in the case of the first report submitted
14 under subsection (a), the period beginning on Sep-
15 tember 1, 2009, and ending on the date the report
16 is submitted; and

17 (2) in the case of a subsequent such report, the
18 180-day period preceding the submission of the re-
19 port.

20 (c) FORM OF REPORT.—The report required by sub-
21 section (a) shall be submitted in unclassified form but may
22 include a classified annex.

1 **SEC. 304. REPORTS ON IRANIAN RESEARCH AND DEVELOP-**
2 **MENT AND BREAKOUT TIMES.**

3 (a) IN GENERAL.—Not later than January 10, 2017,
4 and every 180 days thereafter, the President shall submit
5 to the appropriate congressional committees a report de-
6 tailing—

7 (1) any research and development conducted by
8 Iran that may substantially reduce the time for Iran
9 to acquire a nuclear weapon;

10 (2) an assessment of the period of time it would
11 take Iran to acquire the nuclear material to produce
12 one nuclear weapon; and

13 (3) an assessment of the capacity and capability
14 of the International Atomic Energy Agency to effec-
15 tively monitor the nuclear program of Iran, includ-
16 ing whether the International Atomic Energy Agen-
17 cy is receiving sufficient access to investigate sus-
18 picious sites or allegations of covert nuclear-related
19 activities and whether it has the required funding,
20 manpower, and authorities to undertake the required
21 verification regime inside Iran.

22 (b) FORM OF REPORT.—Each report required by
23 subsection (a) shall be submitted in unclassified form but
24 may include a classified annex.

1 **SEC. 305. REPORT ON NUCLEAR PROGRAM COOPERATION**
2 **WITH NORTH KOREA.**

3 (a) IN GENERAL.—Not later than 90 days after the
4 date of the enactment of this Act, the President shall sub-
5 mit to the appropriate congressional committees a report
6 on any cooperation between Iran and North Korea on
7 their nuclear programs, including the identity of Iranian
8 and North Korean persons that have knowingly engaged
9 in or directed the provision of material support or the ex-
10 change of information between North Korea and Iran on
11 their respective nuclear programs.

12 (b) FORM OF REPORT.—The report required by sub-
13 section (a) shall be submitted in unclassified form but may
14 include a classified annex.

15 **SEC. 306. REPORT ON USE BY THE GOVERNMENT OF IRAN**
16 **OF COMMERCIAL AIRCRAFT AND RELATED**
17 **SERVICES FOR ILLICIT MILITARY OR OTHER**
18 **ACTIVITIES.**

19 (a) REPORT.—Not later than 180 days after the date
20 of the enactment of this Act, and every 180 days there-
21 after, the President, in consultation with the Secretary of
22 Defense and the Secretary of State, shall submit to the
23 appropriate congressional committees a report on the use
24 by the Government of Iran of commercial aircraft and re-
25 lated services for illicit military or other activities during
26 the period specified in subsection (c).

1 (b) ELEMENTS OF REPORT.—The report required
2 under subsection (a) shall include—

3 (1) a description of the extent to which the
4 Government of Iran has used commercial aircraft or
5 related services to transport illicit cargo to or from
6 Iran, including military goods, weapons, military
7 personnel, military-related electronic parts and me-
8 chanical equipment, and rocket or missile compo-
9 nents;

10 (2) a list of airports outside of Iran at which
11 such aircraft have landed;

12 (3) a description of the extent to which the
13 commercial aviation sector of Iran has provided fi-
14 nancial, material, and technological support to the
15 IRGC or any of its agents or affiliates, including
16 Mahan Air;

17 (4) a description of the extent to which foreign
18 governments and persons have facilitated the activi-
19 ties described in paragraph (1), including allowing
20 the use of airports, services, or other resources; and

21 (5) a description of the efforts of the President
22 to address the activities described in paragraphs (1),
23 (3), and (4).

24 (c) PERIOD SPECIFIED.—The period specified in this
25 subsection is—

1 (1) in the case of the first report submitted
2 under subsection (a), the period beginning on the
3 date that is 5 years before the date of the enactment
4 of this Act and ending on the date the report is sub-
5 mitted; and

6 (2) in the case of a subsequent such report, the
7 180-day period preceding the submission of the re-
8 port.

9 **SEC. 307. IRGC WATCH LIST AND REPORT.**

10 (a) IN GENERAL.—The Secretary of the Treasury
11 shall establish, maintain, and publish in the Federal Reg-
12 ister a list (to be known as the “IRGC Watch List”) of—

13 (1) each entity in which the IRGC or an agent
14 or affiliate of the IRGC has an ownership interest
15 of less than 25 percent;

16 (2) each entity in which the IRGC does not
17 have an ownership interest if the IRGC or an agent
18 or affiliate of the IRGC maintains a presence on the
19 board of directors of the entity or otherwise influ-
20 ences the actions, policies, or personnel decisions of
21 the entity; and

22 (3) each person that controls, manages, or di-
23 rects an entity described in paragraph (1) or (2).

24 (b) REPORT REQUIRED.—

1 (1) IN GENERAL.—Not later than 90 days after
2 the date of the enactment of this Act, and annually
3 thereafter, the Secretary of the Treasury shall sub-
4 mit to the appropriate congressional committees a
5 report that includes—

6 (A) the list required by subsection (a) and,
7 in the case of any report submitted under this
8 subsection after the first such report, any
9 changes to the list since the submission of the
10 preceding such report; and

11 (B) an assessment of the role of the IRGC
12 and its agents and affiliates in, and its penetra-
13 tion into, the economy of Iran.

14 (2) FORM OF REPORT.—Each report required
15 by paragraph (1) shall be submitted in unclassified
16 form, but may include a classified annex.

17 **SEC. 308. REPORT ON UNITED STATES CITIZENS DETAINED**
18 **BY IRAN.**

19 (a) IN GENERAL.—Not later than 90 days after the
20 date of the enactment of this Act, and every 180 days
21 thereafter, the President shall submit to the appropriate
22 congressional committees a report on United States citi-
23 zens, including United States citizens who are also citizens
24 of other countries, detained by Iran or groups supported
25 by Iran that includes—

1 (1) information regarding any officials of the
2 Government of Iran involved in any way in the de-
3 tentions; and

4 (2) a summary of efforts the United States
5 Government has taken to secure the swift release of
6 those United States citizens.

7 (b) FORM OF REPORT.—The report required by sub-
8 section (a) shall be submitted in unclassified form, but
9 may include a classified annex.

10 **SEC. 309. RESPONSIBILITIES OF INTERNATIONAL ATOMIC**
11 **ENERGY AGENCY.**

12 (a) SENSE OF CONGRESS.—It is the sense of Con-
13 gress that—

14 (1) the International Atomic Energy Agency
15 must have sufficient funding, manpower, and au-
16 thority to undertake its verification responsibilities;
17 and

18 (2) the President should engage with inter-
19 national partners to ensure that the International
20 Atomic Energy Agency is fully funded.

21 (b) REPORT.—Not later than January 10, 2017, and
22 every 180 days thereafter, the President shall submit to
23 the appropriate congressional committees a report out-
24 lining efforts with international partners to achieve the

1 goal described in subsection (a) and identifying impedi-
2 ments to achieving that goal.

3 (c) GOVERNMENT ACCOUNTABILITY OFFICE RE-
4 PORT.—Not later than one year after the date of the en-
5 actment of this Act, and annually thereafter, the Comp-
6 troller General of the United States shall submit to the
7 appropriate congressional committees a report assessing
8 the capacity of the International Atomic Energy Agency
9 to fulfill its verification responsibilities in Iran.

10 (d) FORM OF REPORT.—Each report required by this
11 section shall be submitted in unclassified form, but may
12 include a classified annex.

13 TITLE IV—GENERAL 14 PROVISIONS

15 SEC. 401. EXCEPTIONS FOR NATIONAL SECURITY AND HU- 16 MANITARIAN ASSISTANCE.

17 (a) IN GENERAL.—The following activities shall be
18 exempt from sanctions under sections 201, 203, 204, 205,
19 207, and 208:

20 (1) Any activity subject to the reporting re-
21 quirements under title V of the National Security
22 Act of 1947 (50 U.S.C. 3091 et seq.), or to any au-
23 thorized intelligence activities of the United States.

24 (2) Any transaction necessary to comply with
25 United States obligations under the Agreement be-

1 tween the United Nations and the United States of
2 America regarding the Headquarters of the United
3 Nations, signed at Lake Success June 26, 1947, and
4 entered into force November 21, 1947, or under the
5 Convention on Consular Relations, done at Vienna
6 April 24, 1963, and entered into force March 19,
7 1967.

8 (3) The conduct or facilitation of a transaction
9 for the sale of agricultural commodities, food, medi-
10 cine, or medical devices to Iran or for the provision
11 of humanitarian assistance to the people of Iran, in-
12 cluding engaging in a financial transaction relating
13 to humanitarian assistance or for humanitarian pur-
14 poses, transporting goods or services that are nec-
15 essary to carry out operations relating to humani-
16 tarian assistance or humanitarian purposes, and
17 having merely incidental contact, in the course of
18 providing humanitarian assistance or aid for human-
19 itarian purposes, with individuals who are under the
20 control of a foreign person subject to sanctions
21 under this Act.

22 (b) DEFINITIONS.—In this section:

23 (1) AGRICULTURAL COMMODITY.—The term
24 “agricultural commodity” has the meaning given

1 that term in section 102 of the Agricultural Trade
2 Act of 1978 (7 U.S.C. 5602).

3 (2) **MEDICAL DEVICE.**—The term “medical de-
4 vice” has the meaning given the term “device” in
5 section 201 of the Federal Food, Drug, and Cos-
6 metic Act (21 U.S.C. 321).

7 (3) **MEDICINE.**—The term “medicine” has the
8 meaning given the term “drug” in section 201 of the
9 Federal Food, Drug, and Cosmetic Act (21 U.S.C.
10 321).

11 **SEC. 402. PRESIDENTIAL WAIVER AUTHORITY FOR SPECI-**
12 **FIED SANCTIONS.**

13 (a) **CASE-BY-CASE WAIVER AUTHORITY.**—

14 (1) **IN GENERAL.**—Subject to subsection (d),
15 the President may waive, on a case-by-case basis
16 and for a period of not more than 180 days, a re-
17 quirement under section 203, 205, 207, or 208 to
18 impose sanctions with respect to a person, and may
19 waive the continued imposition of such sanctions,
20 not less than 30 days after the President determines
21 and reports to the appropriate congressional com-
22 mittees that it is vital to the national security inter-
23 ests of the United States to waive such sanctions.

24 (2) **RENEWAL OF WAIVERS.**—The President
25 may, on a case-by-case basis, renew a waiver under

1 paragraph (1) for an additional period of not more
2 than 180 days if, not later than 15 days before that
3 waiver expires, the President makes the determina-
4 tion and submits to the appropriate congressional
5 committees a report described in paragraph (1).

6 (3) SUCCESSIVE RENEWAL.—The renewal au-
7 thority provided under paragraph (2) may be exer-
8 cised for additional successive periods of not more
9 than 180 days if the President follows the proce-
10 dures set forth in paragraph (2), and submits the
11 report described in paragraph (1), for each such re-
12 newal.

13 (b) CONTENTS OF WAIVER REPORTS.—Each report
14 submitted under subsection (a) in connection with a waiv-
15 er of sanctions under section 203, 205, 207, or 208 with
16 respect to a person, or the renewal of such a waiver, shall
17 include—

18 (1) a specific and detailed rationale for the de-
19 termination that the waiver is vital to the national
20 security interests of the United States;

21 (2) a description of the activity that resulted in
22 the person being subject to sanctions under section
23 203, 205, 207, or 208;

24 (3) an explanation of the efforts made by the
25 United States to secure the cooperation of the gov-

1 ernment with primary jurisdiction over the person or
2 the location where the activity described in para-
3 graph (2) occurred in terminating or, as appro-
4 priate, penalizing the activity;

5 (4) an assessment of the significance of the ac-
6 tivity described in paragraph (2) in contributing to
7 the ability of Iran to threaten the interests of the
8 United States or allies of the United States, develop
9 systems capable of delivering weapons of mass de-
10 struction, destabilize any foreign country, support
11 international terrorism, or violate the human rights
12 of any person in Iran; and

13 (5) a statement with respect to the anticipated
14 response of the United States in the event that the
15 person engages in additional activities that would be
16 subject to sanctions under section 203, 205, 207, or
17 208.

18 (c) EFFECT OF REPORT ON WAIVER.—If the Presi-
19 dent submits a report under subsection (a) in connection
20 with a waiver of sanctions under section 203, 205, 207,
21 or 208 with respect to a person, or the renewal of such
22 a waiver, the President shall not be required to impose
23 sanctions under section 203, 205, 207, or 208, as applica-
24 ble, with respect to the person described in the report dur-
25 ing the 30-day period referred to in subsection (a).

1 (d) LIMITATIONS ON WAIVER USE.—

2 (1) APPLICABILITY TO AGREEMENTS WITH
3 IRAN.—The President may not exercise the waiver
4 authority provided under subsection (a) to imple-
5 ment, effectuate, support, satisfy, or fulfill the terms
6 of any international agreement pertaining to Iran,
7 whether legally binding under international law or
8 not, unless, before the President exercises the waiver
9 authority, the agreement is approved through the
10 enactment of a joint resolution or the Senate pro-
11 vides its advice and consent with respect to the
12 agreement pursuant to section 2 of article II of the
13 Constitution of the United States.

14 (2) CONSULTATIONS WITH FOREIGN GOVERN-
15 MENTS.—The President may exercise the waiver au-
16 thority provided under subsection (a) with respect to
17 a foreign person only after the President has—

18 (A) consulted with the foreign government
19 with primary jurisdiction over the person or the
20 location where the activity subject to sanctions
21 under section 203, 205, 207, or 208 occurred
22 with respect to the activity; and

23 (B) attempted to secure the cooperation of
24 the foreign government with primary jurisdic-
25 tion over the person or activity in terminating

1 or, as appropriate, imposing penalties for the
2 activity.

3 (3) LICENSING AUTHORITY.—No licensing au-
4 thority provided by this Act or in the International
5 Emergency Economic Powers Act (50 U.S.C. 1701
6 et seq.) shall be used to implement, effectuate, sup-
7 port, satisfy, or fulfill the terms of any international
8 agreement pertaining to Iran entered into after the
9 date of the enactment of this Act, whether legally
10 binding under international law or not, unless, be-
11 fore the exercise of the licensing authority, the
12 agreement is approved through the enactment of a
13 joint resolution or the Senate provides its advice and
14 consent with respect to the agreement pursuant to
15 section 2 of article II of the Constitution of the
16 United States.

17 (e) CASE-BY-CASE DEFINED.—In this section, the
18 term “case-by-case”, with respect to a waiver of sanc-
19 tions—

20 (1) means only that sanctions may be waived
21 with respect to a single person; and

22 (2) does not authorize a waiver of sanctions
23 with respect to a category of activity or class of
24 transactions.

1 **SEC. 403. REQUESTS FROM CONGRESS RELATING TO IMPO-**
2 **SITION OF SANCTIONS.**

3 (a) IN GENERAL.—Not later than 120 days after re-
4 ceiving a written request from the chairperson and rank-
5 ing member of one of the appropriate congressional com-
6 mittees with respect to whether a person should be subject
7 to sanctions under section 201, 202, 203, 204, 205, 207,
8 or 208, the President shall submit to the chairperson and
9 ranking member of that committee a response addressing
10 the status of that person.

11 (b) FORM.—Each response required by subsection (a)
12 shall be submitted in unclassified form, but may include
13 a classified annex.

14 **SEC. 404. MANDATORY INVESTIGATIONS.**

15 (a) INITIATION.—Upon receipt by the President of
16 credible information indicating that a person is engaged
17 in activity subject to sanctions under section 201, 202,
18 203, 206, or 208, the President shall initiate an investiga-
19 tion to determine whether the person is subject to any
20 such sanctions.

21 (b) PERSONNEL.—The President may direct the Sec-
22 retary of State, the Secretary of the Treasury, and the
23 heads of such other Federal agencies as may be necessary
24 to assign sufficient experienced and qualified investiga-
25 tors, attorneys, and technical personnel to conduct inves-
26 tigation under subsection (a).

1 (c) DETERMINATION AND NOTIFICATION.—Except as
2 otherwise provided by this Act, not later than 180 days
3 after initiating an investigation under subsection (a) with
4 respect to a person, the President shall—

5 (1) determine whether the person is subject to
6 sanctions under section 201, 202, 203, 206, or 208;
7 and

8 (2) if the President determines that the person
9 is subject to any of such sanctions, impose the appli-
10 cable sanctions with respect to that person.

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